



FINANCE AND ADMINISTRATION CABINET
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

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Money Tips for College Students: How to Make It, Use It and Save It

Learn how to budget

College students should have a budget, and it's not a bad idea for high school students either.

A budget is nothing more than a tool for tracking the money you make compared with the money you spend. Most people would say a budget is a spending plan, but that doesn't take into account your savings or future investments that may let your money work for you. So think ahead and call it a money plan.

Your parents probably cover most of your living expenses. But if you have a job, they probably expect you to contribute toward what they consider nonessentials, like CDs, video games, new clothes, car payments and insurance, not to mention concert or movie tickets.

You can create a budget by estimating how much money you'll make each month and how much you'll spend. It's a great way to avoid running out of money when you need it most.

Best of all, a budget will show you how long it will take to save for a big-ticket item you really want.

The biggest financial goal is to have more money at the end of the month. If you're in college, the goal may be to graduate with as little debt as possible. But financial goals may also include saving for a trip, concert or new car. Take out a sheet of paper and list your short-term and long-term goals, estimating how much money you can reasonably set aside per week or paycheck. When you break down your goals and how long it takes to save to meet them, you'll get a better idea of how financing really works.

To learn how to plan and prepare for higher education, visit www.GoHigherKY.org. For more information about Kentucky scholarships and grants, visit www.kheaa.com; write KHEAA, P.O. Box 798, Frankfort, KY 40602-0798; or call (800) 928-8926, extension 7381. For information about low-cost student loans, visit www.studentloanpeople.com; write The Student Loan People, P.O. Box 24328, Louisville, KY 40224-0328; or call (888) 678-4625.